

MORNING REPORT

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Top News

KEY OVERSEAS MARKETS

U.S. share markets shrugged off the US Federal Reserve's possible commencement of a tapering programme and reversed earlier losses. The Dow Jones Industrial Average closed 0.4% lower, while the S&P 500 and the Nasdaq Composite rose 0.33% and 0.5%, respectively. The benchmark 10-year yield was down to 1.23%. as traders rotated out of stocks into treasuries. Interest-rate sensitive companies, such as JPMorgan Chase & Co., Bank of America Corp., and Visa Inc., underperformed. Energy-related companies were between 2.82% and 4.29% down, as West Texas Intermediate crude oil fell \$2.04 to \$63.42 a barrel amid concerns that increasing COVID-19 infections worldwide could negatively impact global economic recovery.

Other leading overseas markets were all lower. France's CAC 40 paced the declined 2.43%, Britain's FTSE 100 and Germany's DAX 30 fell 1.54% and 1.25%, respectively. In Asia, Hong Kong's Hang Seng tumbled 2.13%, Japan's Nikkei 225 1.1% and China's Shanghai Composite slipped 1.1% and 0.57%. and respectively.

NZX & ASX YESTERDAY

The Australian share market closed lower for a fourth day, impacted by miners and energy firms that fell sharply on weaker commodity prices. The S&P/ASX 200 index fell 0.5% to close at 7,464.6, its longest losing streak since October 2020. Aussie miners sank 4.3%, with Rio Tinto, BHP Group and Fortescue Metals losing between 5.7% and 6.4%. Lithium miners were also under pressure with Mineral Resources and IGO Ltd shedding 6.6% and 5.8%, respectively. Energy stocks fell 2.7% as oil prices took a knock from rising COVID-19 cases worldwide and an increase in U.S. gasoline stocks. Woodside Petroleum and Whitehaven dropped 3.4% and 3.1% respectively. financials were down 0.1%.

New Zealand's benchmark S&P/NZX 50 index jumped 1.9% to finish the session at 12,956.97 points, its highest since Feb. 10, boosted by a 12.4% rise in Chorus after the Commerce Commission proposed an initial regulated asset base of NZ\$5.427 billion for Chorus' regulated fibre business. This determines both the level of revenue the infrastructure provider is allowed generate from its fibre network and whether it can earn a fair return on its investment. Although the level set was below what the company wanted, the market reacted positively as the commission's proposal is higher than was expected.

The majority of the top 50 stocks closed higher, led by CNU and SKL, with the latter delivering a stellar profit increase of 38%. SKL closed 4.8% higher. Other strong performers were MFT (up 4.2%) and Infratil (up 4%). However, AIA closed 0.4% lower, after posting its first loss ever.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	14,125.29	249.76	▲	1.80%
S&P/NZX 50 Portfolio Index	8,224.07	163.12	▲	2.02%
S&P/NZX MidCap Index	36,427.90	767.75	▲	2.15%
S&P/NZX SmallCap Index	90,462.55	193.20	▼	0.21%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	7,735.30	35.40	▼	0.46%
S&P/ASX 200	7,464.60	37.50	▼	0.50%
ASX Small Ordinaries	3,493.30	14.60	▲	0.42%
S&P/ASX MIDCAP 50	9,204.90	29.20	▼	0.32%
S&P/ASX 20	4,158.60	30.20	▼	0.72%
Foreign Markets Index				
	Last	Change		
S&P 500	4,405.80	5.53	▲	0.13%
Dow Jones Industrial Average	34,894.12	66.57	▼	0.19%
NASDAQ Composite	14,541.79	15.87	▲	0.11%
FTSE 100	7,058.86	110.46	▼	1.54%
ASX All Ordinaries	7,735.30	35.40	▼	0.46%
NIKKEI 225	27,281.17	304.74	▼	1.10%
HANG SENG INDEX	25,316.33	550.68	▼	2.13%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9552	0.0042	▲	0.44%
USD	0.6829	0.0056	▼	0.81%
CNY	4.4337	0.0284	▼	0.64%
EUR	0.5848	0.0028	▼	0.48%
CAD	0.8757	0.0048	▲	0.55%
GBP	0.5007	0.0005	▲	0.10%
JPY	74.963	0.6175	▼	0.82%
US 10 Year Treasury Yield				
US 10YR	1.24%			
NZ Interest Rates				
	Last			
NZ OCR	0.25			
90-day Bank Bill	0.43			
5y Bank Bill	1.34			
10y Bank Bill	1.68			
Swap rate spread close (bps)	69			
Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,782.30	2.10	▼	0.12%
Silver	23.20	0.22	▼	0.93%
Crude Oil	63.88	1.58	▼	2.41%

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